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**GAMBLING COMMISSION
COMM & LEGAL DEPT**

**STATE OF WASHINGTON
GAMBLING COMMISSION**

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DEC 18 2009

**GAMBLING COMMISSION
COMM & LEGAL DIVISION**

In the Matter of the Suspension of the)
License to Conduct Gambling Activities of:)

No. CR 2009-01573

Sports Keg)
Burlington, Washington,)

SETTLEMENT ORDER

Licensee.)
_____)

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HEADQUARTERS OFFICE OF
ADMINISTRATIVE HEARINGS

I.

This Settlement Order is entered into between the Washington State Gambling Commission and Sports Keg. The Gambling Commission is represented by H. Bruce Marvin, Assistant Attorney General, and Brenda Bono, Staff Attorney. The licensee is represented by Gilbert Pegram, Owner.

II.

The Washington State Gambling Commission issued Sports Keg, Organization number 00-13608, the following license:

Number 05-07599, Authorizing Class "C" Punchboard/Pull-Tab Activity.

The license expires on September 30, 2010, and was issued subject to the licensee's compliance with state gambling laws and regulations.

III.

The Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee on November 13, 2009. On November 18, 2009, Commission staff received the licensee's Request for Hearing.

IV.

The following is a summary of the facts alleged, and the violations charged in the Notice of Administrative Charges:

Sports Keg failed to retain played pull-tab games for at least the time period of August 2009 through October 2009.

VIOLATIONS:

RCW 9.46.075(1) Denying, Suspending or revoking a license or permit states:

The Commission may suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the licensee, or any person with any interest therein: (The following subsection applies.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the Commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any Commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

WAC 230-03-085 Denying, Suspending or revoking a license or permit states:

We may suspend or revoke any license or permit, when the licensee or anyone holding a substantial interest in the licensee's business or organization: (The following subsection applies.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

WAC 230-14-265 Retention Requirements for punch boards and pull-tab series states:

(The following subsection applies.)

(1)(b)(4)(b)(i) Punch board and pull-tab operators must keep all punch boards or pull-tab series removed from play, including at least, all unplayed tabs. Operators must retain punch board or pull-tab series removed from play for two months following the last day of the month in which they removed the board or series from play.

V.

The licensee acknowledges that it has read the Notice of Administrative Charges, and understands the facts contained in it. The licensee has waived its right to a hearing, based on the terms and conditions of this Settlement Order.

1) The licensee agrees that Sports Keg's license is hereby suspended for a period of **fifteen (15) days**, provided that:

a) **Five (5) days** of the suspension shall not be currently served, but shall be deferred for a period of one year from the date of entry of this Settlement Order, subject to the following: The licensee agrees not to violate any of Washington's gambling statutes or regulations during the one (1) year term. If the licensee violates these statutes or regulations and if the violation is the type that warrants the filing of administrative or criminal charges, then the Director may impose the five-day suspension of the current gambling license and any subsequently acquired gambling licenses.

b) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this agreement, has discretion to determine whether the licensee has violated any

term of this agreement. In the event the Director determines that a violation of this section has occurred, he may suspend the license issued to the licensee, and any subsequently acquired licenses, for up to four days, by mailing or delivering a Notice of Order of Administrative Charges to the licensee. This suspension shall be in addition to any consequences of the new violation. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.

c) The licensee has chosen to serve the remaining ten (10) days of the suspension. The suspension period begins at 8:00 a.m. on Monday, January 4, 2010, and ends at 8:00 a.m. on Thursday, January 14, 2010. During this period of suspension, no gambling activities shall take place at the licensed premises.

DATED this 12th day of January, 2009. [Signature]
Administrative Law Judge

APPROVED FOR ENTRY:

APPROVED AS TO FORM:

By the signature below, the licensee acknowledges reading this Settlement Order, and understands the terms and conditions contained in it.

[Signature] 12-16-09
Gilbert Pegram (DATE)
Sports Keg

[Signature]
H. Bruce Marvin, WSBA #251582
Assistant Attorney General,
Representing the Washington State
Gambling Commission

[Signature]
Brenda Bono, WSBA #29956
Staff Attorney,
Washington State Gambling Commission